AMENDED IN ASSEMBLY JANUARY 4, 2010 AMENDED IN ASSEMBLY APRIL 2, 2009

CALIFORNIA LEGISLATURE—2009–10 REGULAR SESSION

ASSEMBLY BILL

No. 323

Introduced by Assembly Member Yamada

February 18, 2009

An act to add Section 9889.54 to, and to add Chapter 1b (commencing with Section 18500) to Division 8 of, the Business and Professions Code, and to amend Section 1874.87 of the Insurance Code, relating An act to amend Section 9884.8 of the Business and Professions Code, relating to automobile tires.

LEGISLATIVE COUNSEL'S DIGEST

AB 323, as amended, Yamada. Automobile tires.

Existing law, the Automotive Repair Act, provides for the registration and regulation of automotive repair dealers, including auto body repair shops, as defined. Existing law requires an automotive repair dealer to record all work done by the dealer on an invoice and to describe all service work done and parts supplied. A violation of the act is a crime.

This bill would require auto body repair shops to display, at a conspicuous place, as specified, a sign meeting certain specifications that advises customers, among other things, about automobile tire degradation.

Existing law provides various special business regulations for, among others, automobile dealers and automobile rental agencies.

This bill would require an automobile tire retailer, prior to the purchase or installation of an automobile tire in California, to disclose in writing to the customer the date each tire purchased or installed was

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manufactured. The bill would also require these retailers to display a sign about automobile tire degradation as described above.

Existing law requires specified insurers to provide each insured with an Auto Body Repair Consumer Bill of Rights either at the time of application for an automobile insurance policy or following an accident.

This bill would *also* require this bill of rights to contain information about the consumer's right to be informed, by an automobile tire retailer, about the date a tire was manufactured an automotive repair dealer to list on the invoice the manufacture date of any tire installed or sold by the dealer.

By imposing a new requirement on auto body automotive repair shops dealers, the violation of which would be a crime, the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 9884.8 of the Business and Professions 2 Code is amended to read:
- Code is amended to read:
 9884.8. All work done by an automotive repair dealer, including
- 4 all warranty work, shall be recorded on an invoice and shall
- 5 describe all service work done and parts supplied. Service work
- 6 and parts shall be listed separately on the invoice, which shall also
- 7 state separately the subtotal prices for service work and for parts,
- 8 not including sales tax, and shall state separately the sales tax, if 9 any, applicable to each. When any tire is installed or sold, the
- 10 manufacture date of that tire shall also be listed on the invoice. If
- any used, rebuilt, or reconditioned parts are supplied, the invoice
- shall clearly state that fact. If a part of a component system is
- composed of new and used, rebuilt or reconditioned parts, that
- 14 invoice shall clearly state that fact. The invoice shall include a
- 15 statement indicating whether any crash parts are original equipment
- 16 manufacturer crash parts or nonoriginal equipment manufacturer

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aftermarket crash parts. One copy of the invoice shall be given to the customer and one copy shall be retained by the automotive repair dealer.

SECTION 1. Section 9889.54 is added to the Business and Professions Code, to read:

9889.54. (a) Auto body repair shops shall display, at a conspicuous place, on, at, or near the checkout counter, at least one clearly visible sign which shall read as follows:

"WARNING! Tires degrade over time even if not used. Tires older than six years can cause sudden tire failure.

IF YOU HAVE A COMPLAINT, CALL THE DEPARTMENT OF CONSUMER AFFAIRS AT 1-800-952-5210."

(b) The letters, figures, or numerals on signs required by this section, however affixed, marked, imprinted, placed, or embossed, shall be at least three-fourths of an inch in height and all lines and marks used in the making or forming of all the letters, figures, or numerals which are part of the sign shall be at least one-eighth of an inch in width. The letters, figures, or numerals on these signs shall be plainly legible. The color or tint shall contrast with the background and other parts of the sign.

SEC. 2. Chapter 1b (commencing with Section 18500) is added to Division 8 of the Business and Professions Code, to read:

CHAPTER 1b. AUTOMOBILE TIRE RETAILERS

18500. Prior to the purchase or installation of an automobile tire in California, an automobile tire retailer shall disclose, in writing, to the customer the date each tire was manufactured.

18501. (a) Automobile tire retailers shall display, at a conspicuous place, on, at, or near the check out counter, at least one clearly visible sign which shall read as follows:

"WARNING! Tires degrade over time even if not used. Tires older than six years can cause sudden tire failure.

IF YOU HAVE A COMPLAINT, CALL THE DEPARTMENT OF CONSUMER AFFAIRS AT 1-800-952-5210."

(b) The letters, figures, or numerals on signs required by this section, however affixed, marked, imprinted, placed, or embossed, shall be at least three-fourths of an inch in height and all lines and marks used in the making or forming of all the letters, figures, or

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numerals which are part of the sign shall be at least one-eighth of an inch in width. The letters, figures, or numerals on these signs shall be plainly legible. The color or tint shall contrast with the background and other parts of the sign.

- SEC. 3. Section 1874.87 of the Insurance Code is amended to read:
- 1874.87. (a) Each insurer subject to this article shall provide each insured with an Auto Body Repair Consumer Bill of Rights either at the time of application for an automobile insurance policy or following an accident that is reported to the insurer. If the insurer provides the insured with an electronic copy of a policy, the bill of rights may also be transmitted electronically.
- (b) The bill of rights shall be a standardized form developed by the department with the purpose of presenting easy-to-read facts for auto insurance consumers. The content of the bill of rights shall be determined by the department, and at a minimum, shall contain information about all of the following:
- (1) A consumer's right to select an auto body repair shop for auto body damage covered by the insurance policy and that an insurer may not require this work to be done at a particular auto body repair shop.
- (2) The consumer's right to be informed about auto body repairs made with new original equipment crash parts, new aftermarket erash parts, and used crash parts.
- (3) The consumer's right to be informed about coverage for towing services, and for a replacement rental vehicle while a damaged vehicle is being repaired.
- (4) The consumer's right to be informed, in writing, about the date a tire was manufactured by an automobile tire retailer pursuant to Section 18500 of the Business and Professions Code.
- (5) Toll-free telephone numbers and Internet addresses for reporting suspected fraud or other complaints and concerns about auto body repair shops to the Bureau of Automotive Repair.
- (c) The department shall consult with the Bureau of Automotive Repair in determining the information to be contained in the bill of rights.
- 37 SEC. 4.
- 38 SEC. 2. No reimbursement is required by this act pursuant to 39 Section 6 of Article XIIIB of the California Constitution because 40 the only costs that may be incurred by a local agency or school

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- district will be incurred because this act creates a new crime or
- 2 infraction, eliminates a crime or infraction, or changes the penalty
- 3 for a crime or infraction, within the meaning of Section 17556 of
- 4 the Government Code, or changes the definition of a crime within
- 5 the meaning of Section 6 of Article XIIIB of the California
- 6 Constitution.